

STATEMENT OF PURPOSE

RS20174

DEQ manages the Clean Water Act State Revolving Loan Program and the Safe Drinking Water Act State Revolving Loan Program. Pursuant to Chapter 79, Title 39, Idaho Code, the Drinking Water Loan Program is able to offer thirty (30) year loan terms. However, as provided in Chapter 36, Title 39, Idaho Code, the Clean Water Act Loan program is only able to offer loan terms of twenty (20) years. Municipalities and communities would benefit by having wastewater loan terms that are thirty (30) years. This proposed legislation would provide consistency of eligible loan terms between the Clean Water Act State Revolving Loan Program and the Safe Drinking Water Act State Revolving Loan Program.

Currently as written Idaho Code Section 39-3627(2)(b)(ix) limits amortization of wastewater loans to no longer than 20 years. Municipalities and communities infrastructure upgrades would benefit by having the ability to negotiate loan terms allowing amortization of up to thirty (30) year with lower annual payments and the associated lower user rates benefiting city infrastructure planning.

1) This legislation will change the wastewater loan terms, as provided in the Clean Water Act Loan program, from twenty (20) years to thirty (30) years in Idaho Code Section 39-3627(2)(b)(ix).

2) This legislation declares an emergency so that municipalities and communities seeking thirty (30) year loan terms may enter into these contracts without wait. This legislation may convey a benefit to the Cities of Greenleaf and Ammon, and further benefits the citizens of other municipalities and communities seeking longer loan terms.

FISCAL NOTE

No fiscal impact

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